Markel Product Manual

General Property

MARKEL®

Contents

Agent Authority **3**

Licensing & Appointments **3**

Agent of Record **4**

Insurance Scoring **4**

Payments & Commissions **5**

Applying a Payment 5
Commission 5

Processing **5**

Renewals 5
Non-Renewals 5
Cancellations 5
Late Payments, Reissues and Reinstatements 6
Diary/Attachments/Notes 7
Messaging 7

Output **7**

Claims **7**

Producer Setup & Maintenance **8**

Binding Restrictions **8**

Contact Information **8**

This manual is intended to provide general information. For product specific information, always refer to the respective manual. This manual is protected by legal privilege and should not be shared with anyone unauthorized

Agent Authority

Markel Contracted Agent Authority

As a contracted agent, the terms and conditions of your agency agreement must be followed. The agency agreement outlines your authority. If the user does not have authority to issue a risk, the quote must be referred for approval. An indication only quote can be released with disclosure that the quote is subject to company review and that the terms, conditions or the rate may change. If a submission is made and approved and the risk materially changes, the risk must be resubmitted outlining what has changed.

All documents pertinent to the underwriting and acceptability of a given risk should be retained in the legal file and/or attached to the policy file in MAGIC. All documentation is subject to audit review.

Licensing & Appointments

Agent/Company Appointment Terms

The MAGIC system will not allow business to be written in a state unless authority is provided and the appropriate licensing is in place.

A. Licensing

1. Each contracted agent must hold the appropriate license for their authorized state(s). A copy of each license must be provided to the Licensing Department before producing business.
2. Each contracted agent is responsible for ensuring that sub-producers hold the necessary licenses in compliance with state regulations.
3. As your licenses renew on either an annual or biannual basis, it is your responsibility to forward a copy to our Licensing Department.

B. Appointments

1. All contracted agents will be appointed by us for each contracted state. MAIC will be responsible for all fees.
2. It is your responsibility to abide by the insurance laws in your state(s) and appoint any sub-producers as necessary. The GA will initiate the paperwork with the sub-producer using the correct appointment forms. The completed paperwork should then be forwarded to MAIC's Licensing department for processing. MAIC will notify you when the appointment has been validated by the state. MAIC will only appoint one agent (along with the agency if legally necessary) from each sub-producing agency. The appointed agent must be the agent signing and submitting to the Company. If the sub-producing agency wants to appoint everyone in their office so they do not have to monitor agent submissions to the Company, the extra appointment fees will be the responsibility of the sub-producing agency or the General Agent.

Agent of Record

These procedures are designed to assure that correct, timely and approved transfer of accounts can be done. Please remember the AOR is an insured initiated request and must meet these procedural requirements. Markel American Insurance Company retains the right of refusal of any request.

- Agent of Record Letters will only be honored and producers changed concurrent with the next renewal date of the policy. No mid-term changes will be made.
- No newly contracted agents will be allowed to take over a piece of Markel business for the first year.
- All requests must be sent to the Property Underwriting Department for review and approval.
- All requests for a change of the Agent of Record must be submitted no later than 60 days prior to the expiration date. Late submissions will be honored at the next policy renewal.
- Approved Agent of Record changes will be processed within 30 days of receipt.
- All agencies involved in an Agent of Record transfer must be properly licensed and able to meet all contractual requirements.

A properly submitted request for an Agent of Record change must include the following – Name and Address of the Insured; Insurance Company and Policy Number; New Agent's Name and Agency Name / Address, with Markel American Agency number; Date and Signature of both the Insured and New Agent. In the case of an account with a business/organization as the Named Insured, the request must be on the Insured's letterhead.

- Markel will provide a courtesy notification to the incumbent contracted agent.
- In situations of 'block rollovers' of existing Markel business, each of these will be evaluated on an individual basis and appropriate procedures developed.
- If the account has been inactive for 45 days or more, the account may be submitted without an Agent of Record Change request, however the risk must be submitted for approval.

Please note that it is the new agent's responsibility to ensure that the existing legal file is received and all documentation is appropriate. Please refer any questions on these guidelines to the MAIC Property Underwriting Department.

Insurance Scoring

An adverse action disclosure will be generated as required by state regulation. The disclosure will be generated for the producer to send with a written quote, and for the company to send with the policy, renewal, and a rewritten policy. If required, additional information may be provided, including an explanation on which attributes affected the score and what the consumer can do to improve the score.

Should a potential client have questions regarding their insurance score, they may visit www.consumerdisclosure.com. If a consumer successfully disputes the credit reporting agency's information, then within 30 days of receiving notice of the determination, we will request the revised score from ChoicePoint, re-rate and refund any overpayment.

Payments & Commission

Applying a Payment

Payment may be applied when the policy is activated or while in force. All available payment methods will be displayed in the MAGIC system. For new business, an invoice option is available. Payments may also be made through the markelamerican.com web site.

Credit Card Numbers should ***NEVER*** be stored within MAGIC notes or within a task.

Commission

Commissions will be paid on the written premium when the first payment is received.

Processing

This section will provide guidelines or information relative to processing transactions are authority based. If you are unable to complete the transaction, make the necessary notes and/or attachment within MAGIC and use the system to refer to MAIC. Details on how to effect the change is in the MAGIC system manual.

Renewals

Renewals are direct bill and automatically generated. Please see the MAGIC system user manual for handling and how to mark the file for renewal review.

The following criteria will trigger policies to be flagged for review before renewal:

Manufactured Home --

- Claim within the last 365 days
- 2 or more claims in the last 3 terms
- Any policy flagged manually marked for review

Policies that meet the above criteria will be flagged for review and will appear on the Renewal Review List.

Review should be completed no later than 45 days before the renewal date. Should there be any question as to the necessary action that should be taken on a given account, please contact an Underwriter in the Property Department for assistance. Please make notes reflecting the decision and change made.

Non-Renewals

Always make notes using Diary in the MAGIC system outlining the specific reasons the action was warranted. Non-renewals will be processed and mailed out in accordance with all state requirements. Please see the MAGIC system user manual for handling and instructions on how to process a non-renewal.

Cancellations

Company request cancellations for underwriting reasons may be processed within the initial underwriting period. Always include sufficient detail on the reason for cancellation for printing on the cancellation notice so that the insured understands exactly why they were canceled. If you do not, in some states the cancellation form will be considered unacceptable and void.

Documentation of an insured request cancellation must be retained within the legal file or saved as an attachment in MAGIC. Cancellations requested that are greater than 30 days from the current date, must be submitted.

Standardized reasons and cancellation methods should be used.

Late Payments, Reissues & Reinstatements

Late payments, reissues and reinstates may be processed in accordance with the following rules:

Dwelling Fire

Days Lapse	Non-Weather Losses in Last 3 Years	Weather Losses in Last 3 Years	Insured's Tenure With Markel		Additional Considerations	Process
			Less Than 3 Years	Greater Than 3 Years		
1-7	0	1	1 late payment acceptable in 1st 3 years	3 late payments acceptable within 5 years	If PPC or Insurance Score are no hit, attempt to validate.	Reinstate w/ no lapse if insured signs a no loss statement.
8-29	0	1	1 late payment acceptable in 1st 3 years	3 late payments acceptable within 5 years	If PPC or Insurance Score are no hit, attempt to validate. Update dwelling value if warranted.	Rewrite w/ lapse if insured signs a no loss statement. "Markel Rewrite" must be chosen as Current Insurer on the Policy Information tab.
30+	Must be referred with documentation of extraordinary circumstances surrounding lapse					

One additional late payment may be acceptable if the policy is registered for recurring payments upon being rewritten or reinstated. Policy must retain recurring payment status for at least one term.

Manufactured Home

Days Lapse	Non-Weather Losses in Last 3 Years	Weather Losses in Last 3 Years	Insured's Tenure With Markel		Additional Considerations	Process
			Less Than 3 Years	Greater Than 3 Years		
1-7	0	1	1 late payment acceptable in 1st 3 years	2 late payments acceptable within 5 years	If PPC or Insurance Score are no hit, attempt to validate.	Reinstate w/ no lapse if insured signs a no loss statement.
8-15	0	1	1 late payment acceptable in 1st 3 years	2 late payments acceptable within 5 years	If PPC or Insurance Score are no hit, attempt to validate. Update manufactured home value if warranted.	Rewrite w/ lapse if insured signs a no loss statement. "Markel Rewrite" must be chosen as Current Insurer on the Policy Information tab.
16+	Must be referred with documentation of extraordinary circumstances surrounding lapse					

One additional late payment may be acceptable if the policy is registered for recurring payments upon being rewritten or reinstated. Policy must retain recurring payment status for at least one term.

Notes:

- Rewrites and reinstatements will be an auditable item. Review & judgment should be documented within MAGIC.
- You may decide not to rewrite/reinstate if the insured qualifies per these grids but has other negative underwriting attributes.
- Exceptions to reinstate/rewrite outside of these guidelines should be referred with documentation of extraordinary circumstances.
- Policies which are rewritten are not guaranteed at the same rate and may be impacted by Insurance Score group, rate changes and/or prior insurance factors.

Diary / Attachments / Notes

The MAGIC system may be used as a repository for all policy documentation. Documents like applications, inspections, photos, endorsement or cancellation requests, etc. may be attached to a given policy.

Prior to initiating rewrites, reinstates, non-renewals or other policy actions, please check the policy notes as well as document your actions.

Comments should always be professional while supporting your actions and decisions.

Messaging

The messaging functionality in MAGIC is twofold – a means by which to forward a request for approval or to perform service work that is not within user authority.

For more information regarding the processing of any of the items mentioned above, please refer to the MAGIC Property User Manual or contact a Property Underwriting Associate.

Output

We will mail the Declarations Page and policy documents directly to the insured and the loss payee. All contracted agents and any sub-producer with MAGIC access may retrieve a copy from the system. If the subproducer does not have MAGIC, a copy will be mailed to the sub-producer.

Claims

Once you have been made aware of a potential claim, immediately notify the Markel Claim Department by fax (262) 548-6110, email at maicclaims@markelcorp.com or fill out the loss notice on the markelamerican.com website.

When forwarding claim information, it is helpful for us to receive as much information as possible. If available, please provide:

- Unit involved in loss if a multiple unit policy
- A detailed description of how the occurrence happened
- Scope of the damage or injuries which resulted
- Correct contact information for our insured or their representative
- Any other information, which may be helpful

Our toll free claim line is (800) 236-3113. Our core business hours are 7:30 am to 8:00 pm to report an accident or loss. If an after hours emergency occurs which requires immediate attention, by calling the above mentioned claim line, you will be prompted on how to page an examiner.

Upon receipt of a claim, the file will be given a claim number and assigned to a specific Examiner. The assigned Examiner will make contact and interview the insured and or other parties to confirm the facts and circumstances which led to damage.

Please keep in mind:

- The insured must allow us to inspect all damages before repairs are made.
- If the damages require recovery or loss mitigation, by policy language the insured must protect the property from further damage.
- We do not waive any of our rights under the policy.

Based on the information received, the insured may be requested to provide documentation. If the cause of loss or scope of damage necessitates, an outside adjuster will be called upon to render assistance. An acknowledgement will be sent back to the agent advising which Examiner was assigned, the claim number and what has been requested from the insured. We will also send an acknowledgement to the insured.

You and your sub-producer may access general claim information in the MAGIC system.

Producer Set Up & Maintenance

Contracted Agents – If changes (deletion or addition) in staffing occur in your office, we must be notified in writing by the agency Principal or other person designated by the Principal to effect user changes. Please complete and forward the Request to Amend Established User to Technical Services at PTS@markelcorp.com. Once they have completed the setup, they will confirm to the requestor that the user has been disabled, or if a new user, they will provide their login and password.

Sub-producers – To setup a new subproducer in the system, complete the MAGIC Request for Subproducer User Set Up form and forward to Nadine Jaeger @ njaeger@markelcorp.com. The sub-producer's username and password will be provided to the contracted General Agent to deliver to the subproducer.

Both forms can be located on the website at markelamerican.com. User security is taken very seriously. We will audit users twice annually, therefore, please do not forget to notify us when a user ID is to be disabled, it will make us more secure, and make the review process much more efficient.

Binding Restrictions

Your binding authority for new business is suspended as a result of approaching or active weather or non-weather events that present a temporary higher than average opportunity for loss. Such events may include hurricanes, tropical storms, volcanic eruptions, severe storms, tornados and wildfires. During a binding moratorium related to a wind event, physical damage coverage may be written excluding wind where the windstorm exclusion is available.

Binding moratoriums are automatically triggered and are in effect for 72 hours by any of the following:

- Those areas of a state that are impacted by the National Weather Service watch, warning, or advisory;
- Areas of the state that are included within the government-declared area of disaster or emergency;
- Areas of the state that are under an evacuation order, whether mandatory or voluntary;
- Risks located within 25 miles of an active wildfire

When any of the aforementioned conditions are in effect, do not accept any applications for new coverage. Requests to increase coverage limits or to lower deductibles on existing policies are prohibited. Existing policies may be written provided there is no increase in coverage or lapse between policies.

We may alert you to the formal implementation of a binding moratorium through a bulletin as well as a follow-up communication once the moratorium has been lifted.

Contact Information

Property Underwriting: maicpropunderwriting@markelcorp.com

Claims Department: 800-236-3113

Technical Services: 800-236-2862 ext. 233334

Supplies: 800-236-2862 ext. 233307

Marketing: 800-236-2862 ext. 233386

Payments: www.markelamerican.com